

NINTH REPORT
STANDING COMMITTEE ON
AGRICULTURE
(1994-95)
TENTH LOK SABHA

MINISTRY OF AGRICULTURE
(DEPARTMENT OF ANIMAL HUSBANDRY & DAIRYING)

DEMANDS FOR GRANTS (1994-95)

Presented to Lok Sabha on 19th April, 1994

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NEW DELHI

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CONTENTS

	PAGE
COMPOSITION OF THE COMMITTEE	(iii)
PREFACE	(v)
CHAPTER I - Animal Husbandry & Dairying An overview	1
CHAPTER II - Demand wise Observations	5
CHAPTER III - Conclusion/Observations/Recommendations	13

COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE
(1994-95)

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1. Shri G.L. Batra – *Additional Secretary*
2. Shri R.V. Warjri – *Director*
3. Shri Haripal Singh – *Under Secretary*

PREFACE

I, the Chairman, Standing Committee on Agriculture having been authorised by the Committee to submit the Report on their behalf, present this Ninth Report on Demands for Grants of the Ministry of Agriculture (Department of Animal Husbandry and Dairying) for the year 1994-95.

2. The Standing Committee on Agriculture was re-constituted on 6th April, 1994. One of the functions of the Standing Committee as laid down in Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha is to consider the Demands for Grants of the concerned Ministries/Departments and made a report on the same to the Houses. The report shall not suggest anything of the nature of cut motions.

3. The Committee took evidence of the representatives of the Ministry of Agriculture (Department of Animal Husbandry and Dairying) on 7th April, 1994. The Committee wish to express their thanks to the officers of the Ministry of Agriculture (Department of Animal Husbandry and Dairying) for placing before them, the material and information which they desired in connection with the examination of Demands for Grants of the Ministry for 1994-95 and for giving evidence before the Committee.

4. The Committee considered and adopted the Report at their sitting held on 8th April, 1994.

NTTISH KUMAR,

Chairman,

Standing Committee on Agriculture,

NEW DELHI;

19th April, 1994

29 Chaitra, 1916 (Saka)

CHAPTER-I

ANIMAL HUSBANDRY AND DAIRYING – AN OVERVIEW

1.1 Animal Husbandry is one of the dominant sectors of the country's economy. It plays a vital role in the rural economy of the country by generating additional gainful employment for the weaker sections of the society, particularly to the small/marginal farmers, agricultural labourers and other rural poor.

1.2 India is blessed with livestock resources of considerable genetic diversity within species with fair opportunities of acceptability to withstand environmental stress and inadequate levels of nutrition and management. The main objectives of its development are as:

1. to make available adequate quantity of animals protein for the human population;
2. to supply the adequate animal draught power;
3. to make available manure in large quantity for growth of agriculture; and
4. to improve the nutritional and economic status by providing gainful employment to rural population including the small farmers/agricultural labourers, tribals and weaker sectors.

1.3. The Department of Animal Husbandry & Dairying came into existence w.e.f. the 1st February, 1991. The Deptt. is responsible for matters relating to the livestock production, preservation, protection and improvement of stocks, dairy development including operation Flood programme, technical mission, Delhi Milk Scheme, National Dairy Development Board etc..

Eighth Plan Strategy

1.4. Major objectives and strategies followed for livestock development during the Eighth Plan are as under:-

- (i) Expand and strengthen infrastructure for artificial insemination, improve its efficiency and effectiveness using frozen semen technology for providing better breeding facilities.

- (ii) Create a seed stock of qualitatively superior bull mothers and bulls which would form the nucleus germplasm pool for rapidly building a national milch herd of high productive cattle and buffaloes. For this purpose, modern technology such as embryo transfer technology will be used in increasing measures.
- (iii) Bring about genetic improvement of important livestock breeds through selective breeding and crossbreeding of low producing nondescript stock, both for milk and draught purposes. Important indigenous breeds will be conserved.
- (iv) Establish linkages between rural milk producers and urban consumers by replacating the "Anand" pattern of dairy cooperatives in the country, and lessen the adverse impact of regional and seasonal imbalances in milk procurement and marketing.
- (v) Improve the productivity of pasture lands by introducing improved fodder seeds and increased use of wastelands for fodder production.
- (vi) Optimize the use of crop residues through provision of appropriate supplements and conservation of dry fodder through densification, baling, pelletization etc.
- (vii) promote stall feeding to progressively reduce overgrazing of village grazing lands and denudation of marginal lands.
- (viii) Develop and promote more efficient feeds and strengthen the feed industry.
- (ix) Develop adequate animal health services for protection of livestock with special emphasis on rinderpest eradication and foot-and-mouth disease control.
- (x) Strengthen the marketing infrastructure for livestock products like wool, meat and eggs and organize export-oriented programmes for these products.
- (xi) Improve the data base in respect of livestock and livestock products.
- (xii) Use technological inventions for increasing productivity of livestock products.

Eighth Plan Thrust Areas

1.5 During the Eighth Plan, the main thrust of the Government policies would be focussed on the following activities:-

1. Promotion of Coordination and integration between various agencies.
2. Intensification of Cooperative efforts.
3. Involvement of voluntary organisations.
4. Strengthening of Animal Husbandry, Extension Activities and Transfer of Technologies.
5. Augumentation of Marketing and Processing Facilities.
6. Promotion of Export Performance.
7. Promotion of Area Specific Schemes.

Eighth Plan Allocation

1.6 The Central Sector outlays for the Eighth Plan, 1992 - 97, for Animal Husbandry and Dairying Development are Rs. 400 crores and Rs. 900 crores respectively i.e. total of Rs. 1,300 crores. As per the information provided by the Ministry of Agriculture, Department of Animal Husbandry and Dairying the position of actual expenditure from 1991-92 to December 1993 is as follows:-

(Rs. in thousands)

Sector	Expenditure during 1991-92 onwards						
	1991-92		1992-93		1993-94		
	Plan	Non-Plan	Plan	Non-Plan	upto December 31.		
				Plan	Non-Plan		
Sectt.& Economic Services	5.22	70.62	23.94	1,12.85	16.45	97.31	
Animal Husbandry	43,31.92	4,89.80	43,61.77	5,23.12	17,20.93	4,03.31	
Dairy	77,97.56	1,32,48.11	1,36,68.93	146,20.12	122,32.18	1,07,80.66	
Total	1,21,34.70	1,38,08.53	1,80,54.64	152,56.09	139,69.56	1,12,81.28	

It is observed that the Department have spent over Rs. 845 crores from 1991-92 the beginning of the Eighth Plan to December 1993. The Committee is concerned to note the sharp increase in the plan and non-plan expenditure under the 'Secretariat & Economic Services' and also the large percentage of funds being allocated for non-plan expenditures compared to plan expenditures.

CHAPTER-II

DEMAND-WISE OBSERVATIONS SECRETARIAT-ECONOMIC SERVICES (3451)

Sub-Head A-1 (1) (4) – Travel Expenses

2.1 In the Head 3451 i.e. Secretariat Economic Services, with regard to 'Travel Expenses', the Committee have observed an increasing trend in the expenditure incurred under this head over the years. The actual expenditure under travel expenses which was Rs. 7.66 lakhs in 1992-93, went up sharply to Rs. 16.50 lakhs in the Revised Estimate of 1993-94. The Budget Estimate for 1994-95 is Rs. 18.50 lakhs.

2.2 The Committee recommend that effective measures may be taken by the Department to observe utmost economy under this head.

Major Head "2403"

Sub-Head – B.1 (1) Animal quarantine Certification Services.

2.3 The Actual amount spent for the year was Rs. 25,59 lakhs for 1992-93. The Committee have observed that in 1993-94 only Rs. 45,00 lakhs were provided whereas this year (1994-95) it has been increased to Rs. 55,00 lakhs. The reasons for the substantial increase in the head as stated by the Department are: –

"It was essential to strengthen the Quarantine Stations in order to take up the work of inspectorate and diagnostic aspect of livestock products, meat and meat products, and milk and milk products etc., to boost our export potential. The strengthening work will be continuing during 1994-95 in respect of both the inspection and diagnostic activities". The increase in the outlay is also due to the increase in Salary component, overtime allowances/wages and Machinery and Equipments.

2.4 The Committee desire that an evaluation of the progress made under this scheme which was initiated as early as the Fourth Plan to achieve the main objective of preventing the entry of any exotic disease through import of livestock and livestock products and to issue export health certification as per International law for livestock and livestock products originating from India, may be prepared and presented to this Committee.

Sub-Head –B.1 (4) – Systematic Control of livestock Diseases of National Importance in Union Territories without Legislation.

2.5 The Committee have noticed that during 1991-92, total outlay in the programme was Rs. 7.00 lakhs and Actual Expenditure was Rs. 44 thousand for the year 1991-92 for the year 1992-93, it was Rs. 9.25 lakhs. Budget estimate for 1993-94 was raised from Rs. 28.00 lakhs to Rs. 50.00 lakhs during 1994-95.

2.6 The Committee have observed that the allocation under this Head has gone up substantially over the years. Further, according to the Department's own submission "the union Territories were not implementing this Scheme in the previous years". Despite the fact that the assistance given to Union Territories is 100% Grant-in-aid.

2.7 The Committee feel that this may have been due to lack of effective monitoring mechanism to ascertain the implementation of the scheme by the Union Territories.

2.8 The Committee hope that the Department would take effective steps to ensure that the Union Territories are mobilised to implement the scheme and effectively utilize the resources allocated to them.

Sub-Head-B.1 (5) – Foot and Mouth Diseases Control Programme.

2.9 Under the scheme an amount of Rs. 79,000/- in the year 1991-92 and Rs. 5.70 lakhs in 1992-93 was actually spent. In the Budget Estimate of 1993-94 Rs. 15.00 lakhs and Budget Estimate of 1994-95 was Rs. 20.00 lakhs has been provided. The main objective of this programme is to protect the valuable high yielding indigenous/crossbred and exotic livestock belonging to the weaker sections of the Society by proper vaccination.

2.10. The Committee are of the view that special efforts may be made to help the weaker sections of the society to improve their livestock. The Committee hope that targets fixed to vaccinate 28 million cattles during 1993-94 be achieved. This will over the years help in increasing the export of milk and milk products from our country.

Sub-Head -B. 1(6) - Animal Disease Surveillance

2.11 The actual expenditure incurred under the scheme for the year 1991-92 and 1992-93 was Rs. 1.58 lakhs and Rs. 5.77 lakhs respectively. The Revised Estimate for 1993-94 was Rs. 6.00 lakhs. The Department has now proposed Budget Estimate of Rs. 25.00 lakhs for the year 1994-95.

2.12 The Department in its reply have stated that the reason for the four fold increase is due to "monitor disease information with Computers and modernise for linking through "NICNET" System as per international norms"

2.13 This scheme collects and compiles information with respect to Animal Disease in the country and disseminates the same to the states and also the foreign agencies like Food and Agriculture Organisation office of International Epizootics and World Health Organisation.

2.14. The Committee are of the view that with the proposed implementation of the scheme it would become possible for the Department to obtain the information from the grassroot levels through the computer network. With the help of these data it may be possible now to forecast the outbreak of livestock diseases in near future.

The Committee recommend that this scheme may be implemented expeditiously. The Union Territories which till now have not implemented this scheme may be persuaded to implement the scheme.

The Committee hope that the Department would monitor and guide the epidemiological units at State and Union Territories in this regard.

However, the Surveillance System have to be improved considerably and diagnostic services at State and Central level needs further strengthening to achieve the above objective.

Sub-Head –B.1 (7) Directorate of Animal Health

2.15 The Budget Estimate for 1993-94 under this head was Rs. 25.00 lakhs and the Budget Estimate for 1994-95 is Rs. 10.00 lakhs. Regarding the utilisation of this amount the Department has submitted that "there was no expenditure incurred in this scheme as it was not implemented during 1992-93 and 1993-94. The Scheme has been just finalised".

2.16 The Committee are surprised to note an amount of Rs. 25.00 lakhs was proposed in Budget Estimate for the year 1993-94 before the sanction was obtained from the Planning Commission and the amount remained unutilised. As the clearance has been obtained only recently the Committee hope that Rs. 10.00 lakhs for 1994-95 will be utilised for creating the infrastructure of the Directorate and Creation of posts.

Sub-Head –B.3(2) Poultry Development, Central Poultry Training Institute, Hesserghatta.

2.17 The actual expenditure spent during 1992-93 was Rs. 16.33 lakhs. A provision of Rs. 20.00 lakhs in the Budget Estimate and Rs. 34.00 lakhs in the Revised Budget were made in 1993-94. According to the Department 'The higher Revised Estimate was proposed during 1993-94 taking into consideration the proposed procurement of imported equipment like Protein digester, Amino Acid Analyser etc. for the Institute laboratory so as to improve the quality of analysis which could not materialise and the likely expenditure during 1993-94 is about Rs. 21.00 lakhs.

2.18 The Committee can not but express their concern over the under utilisation of funds by the Department.

Sub-Head –B.2 (2) Central Frozen Semen Production and Training Institute, Hesserghatta.

2.19 An allocation of Rs. 1.34 crores was made for the year 1993-94 in the Revised Estimate. The expenditure till December, 1993 was Rs. 19.10 lakhs. The Budget Estimate for 1994-95 is Rs. 64.00 lakhs.

2.20 "According to the Department "However, the entire provision is expected to be achieved by the end of the financial year. The reason for the relative delay is the detailed purchase procedure required to be followed e.g. global tenders etc."

2.21 The Committee have observed that an allocation of Rs. 1.34 crores was made in the Revised Estimate for the year 1993-94 and the Budget Estimate for 1994-95 is Rs. 64.00 lakhs. The reason for decrease in the allocation according to the Ministry has been due to the non-utilization of the funds in the previous year. According to the Ministry the expenditure under this Head till December, 1993 was only Rs. 19.10 lakhs due to the relative delay in finalising the detailed purchase procedure required to be followed e.g. global tenders etc. The Committee hope that the entire provision would be utilized by the Department. They, further, hope that in future the strategies to implement the schemes may be prepared well in advance to avoid such eventuality.

For 1992-93 against a target of 4.50 lakh doses only 3.94 lakhs doses were produced. Similarly, against a target of training 50 persons only 21 persons were trained for this purpose.

The Committee are unhappy that the target fixed for producing frozen semen doses and training the personnel in this regard have not been achieved during the year 1992-93.

Sub-Head – B.5 Piggery Development

- D.3 (4) (1) Assistance to States for Integrated Piggery Development.

2.22 The Budget Estimate for the Centrally Sponsored Scheme Assistance to States for Integrated Piggery Development was Rs. 250 lakhs for 1993-94. This was reduced to Rs. 150 lakhs in the Revised Estimate. The amount actually spent was Rs. 194.25 lakhs. The reduction in the expenditure vis-a-vis. Budget Estimate was due to lesser proposals being received from the States. The Budget Estimate for 1994-95 is Rs 200 lakhs.

2.23. This scheme aims at providing infrastructural facilities to Pig Breeding Farms so as to make them to produce more number of exotic piglets for cross breeding with local breed.

2.24. The Committee feels that Pig farming plays an important role in improving the socio-economic status of a sizable section of the weaker rural communities especially in North-Eastern States. So efforts may be made to persuade the States and also improve the production and multiplication of the exotic breeding stock at the State Pig Breeding Farms.

Sub-Head-B.8 Meat processing

2.25 The Committee have observed that in 1992-93 only Rs. 9.40 lakhs were actually spent and it has been increased to Rs. 170 lakhs in the Budget Estimate of 1993-94 and then reduced to only Rs. 30.00 lakhs. The Budget Estimate for 1994-95 is Rs. 3.70 crores. The reasons for the substantial increase in the head are stated to be due to new schemes proposed to be taken up during the financial year 1994-95.

2.26 The Committee are informed that the variation in the Budget Estimate and Revised Estimate for 1993-94 is due to delay in implementation of schemes under the Sub. Head (1) Assistance to Develop technology and Infrastructure for export of livestock products.

2.27 The Committee strongly recommend that efforts be made for establishment of new slaughter houses/meat plants and also improve the hygienic conditions and modernize the existing slaughter houses and to establish carcass utilization centres to provide safe and wholesome meat, gainfully utilize animal by-products, safeguard workers, health and prevent environment pollution and cruelty to animals. The Committee are unhappy to note that not much progress have been made in this direction.

2.28 The Committee, therefore, strongly recommend that the schemes and programmes under this head may be implemented effectively under a time bound programme in order to increase the export of meat and meat products.

Major Heads 2404

The actual estimates spent during 1992-93 was 20,77.00. The Budget Estimate and Revised Estimates for the year 1993-94 was 73,77.00 crores and 90,37.00 crores respectively. The Department has proposed Budget Estimates of 23,15,00 crores for the year 1994-95.

According to the Department the reasons for the variations under the Major & Minor Heads are as follows:-

Major Heads 2404

C. Dairy Development

C.1 (1) Assistance to National Dairy Development Board

In R.E. 1993-94 a sum of Rs. 69,12.00 thousand had been kept keeping in view the value of commodity assistance received from the EEC in the nature of SMP. Till

June, 1993, 15,000 M.T. of SMP had been received from EEC the value of which in Indian Rupees was 69,00,00 thousand or say Rs. 68,90,00 thousand.

EEC had deposited 5 million ECU as Cash Assistance out of which 3.5 million ECU are likely to be used for the Project during 1993-94. The balance 1.5 million ECU is likely to be utilised for the project in 1994-95. Therefore, a budget provision of Rs. 6,00,00 thousand which is equivalent to 1.5 million ECU has been kept as BE for 1994-95. The variation therefore, is due to the balance amount available for the Project from the EEC.

The world Bank, EEC and other donor agencies provide assistance to the NDDDB, for implementation of the Operation Flood Programme and other specific Projects/Schemes and assistance is routed through this Department. The Committee recommend that the Department may monitor the schemes. Programmes being implemented under these aid programmes to ensure that they are fully and effectively utilised within the stipulated timeframe.

Major Head 2404

C. Dairy Development

C.1(4) Grant-in-aid to NDDDB for Funds-in-Trust

C.1 (4) (1) Externally aided Project.

The increase in the RE 1993-94 over the BE 1993-94 was due to the necessity of withdrawing sizeable portion of the balance funds under this Head from the World Bank to meet the expenditure towards the recruitment of Consultants. The provision of Rs. 100.00 lakh is kept for 1994-95 for withdrawing from the funds earmarked for Fund-in-Trust project UTF/IND/155-Second Phase of Technical Assistance to national Dairy Development Board (NDDDB).

C.1 (5) - Grants-in-aid for Swiss aided Dairy Development Project in North Kerala

C.1 (5) (1) - Externally aided Project.

The Scheme is being implemented with financial assistance from the Government of Switzerland. On the basis of claims filled by NDDDB the Swiss Development Corporation is approached for disbursement of funds which are then released to NDDDB. For 1994-95 the NDDDB has projected the requirement of an amount of Rs. 110.00 lakhs for the implementation of North Kerala Dairy Project.

The Committee hope that project would be implemented on time and the objective of the scheme fully realised.

C.1 (6) –Technology Mission on Dairy Development.

The Committee are informed that the scheme of TMDD yet to be formally approved by the Expenditure Finance Committee

Sub Head C.3 (1)- Grants-in-Aid to Mother Dairy, Delhi.

The BE for 1994-95 is only Rs. 1.00 lakh. This is taken provision.

C-2 Delhi Milk Scheme

The total BE and RE for 1993-94 was Rs. 172.47 crore and Rs. 136.00 crores respectively. However, the BE for 1994-95 is 48.37 crore. Under the Non-Plan scheme for DMS the expenditure upto December, 1993 was Rs. 79,30,65,824. The Committee are informed that the BE for 1994-95 is only for the first four months as the Budget provision for DMS has been made for first four months only because it is proposed to transfer DMS to National Capital of Union Territory of Delhi.

Major Head 3601*D.2 (4) (1) - Integrated Dairy Development Projects in Non-Operation Flood, Hills and backward areas*

Under the Head no funds were released for the year 1992-93. However, in RE of 1993-94 under plan expenditure Rs. 10.00 crores was provided. In the BE for 1994-95 Rs. 24.91 crore have been agreed. The State Governments have been directed to constitute State Level Technical Management Committees (TMC) to monitor physical and financial progress of the project and to review the policy matters. Apart from the concerned officers of the State Government, TMCs would include a representative of NDDDB, Ministry of Agriculture and Planning Commission, Government of India. The State Governments have further been directed to send quarterly progress report indicating the quarterly targets and achievements to this Department.

The Committee hope that the Department would be able to monitor the implementation of the scheme effectively by involving the cooperation of the State Governments.

**Capital Section
Major Head 4404***BB1. Delhi Milk Scheme*

Under this Head Rs. 1.37 crores have been proposed under this head to meet the expenditure for 'Machinery and Equipment' and 'Construction of pre-fabricated

Milk Booths'. The Committee hope that the machineries/equipment would be provided and the construction of Milk Booth completed on time as the Department is to transfer the DMS to National Capital of Union Territory of Delhi.

The Committee feel that the objective of replicating 'Anand Pattern' of milk-cooperatives have not yet made much of an head way in other regions of the country.

The Committee, therefore, recommend that special emphasis may be laid on strengthening the existing milk cooperatives and establishment of new ones in other parts of the country.

The Committee also feel that to achieve greater productivity superior breed of cattle/farm animals may be provided at a faster rate and raising awareness of cooperatives/farmers to adopt modern technology and farm management methods.

It has also been reported that the quality of milk/milk products supplied to the consumers are not always of the requisite standard. It is often reported that there are high traces of pesticides in the milk in the country.

The Committee strongly recommend that the ICMR Report in this regard may be studied and steps taken to monitor that high quality of milk is produced and provided to the consumers.

CHAPTER-III

CONCLUSIONS/OBSERVATIONS/RECOMMENDATIONS

3.1 The Committee have observed that the Budget Estimate for 1994-95 of Rs. 383.89 crores is less than the Revised Estimate of 1993-94 *i.e.* Rs. 558.14 crores. The Committee are of the view that the cut in Plan and Non-Plan allocations may adversely effect the on going programmes and schemes and also the proposed new programmes. As one of the major since objectives in the VIII Plan is to generate more employment in the rural sector and also supplement the rural farm income the scaling down of the Budget allocation for the Department of Animal Husbandry and Dairying would adversely affect this.

3.2 Further, it is observed that the expenditure during this financial year is not evenly spreaded over, It is seen that a large amount of money is spent in the last half/quarter of the year. The Committee feel that this may result also in unnecessary expenditures. The Committee therefore, recommend that a proper assessment may be made in advance of the schemes programme and allocation made in a manner that would ensure timely availability of funds.

3.3 The Committee are concerned to note that expenditure on establishment and related activities have gone up sharply over the years. The Committee would like to the Department to observe economy and to curb such increasing expenditures.

3.4 It is observed that the exotic/hybrid varieties of milch animals are more susceptible to diseases and maintenance of these varieties turns out to be more expensive compared to the indigenous variety. The Committee would, therefore, recommend that adequate funds may be made available for research and development of indigenous breed of milch animals to enhance more economic and higher production of milk.

3.5 The Committee strongly recommend that a special cell may be set up for preparing an inventory of traditional Indian medicinal practices codify them and start undertaking empirical study for verifying their efficacy in controlling cattle ailments, vigorous research and development of this age old indigenous system must also be persued.

3.6 The Committee are concerned about the poor quality of veterinary services available in most parts of the country. They strongly recommend that adequate resources may be made available to augment the supply of medicine and services of qualified veterinary staff in this regard. The Committee are also very unhappy to note that the setting of the cooperatives on the 'Anand Pattern' has not made much headway. The Committee recommended that restrictions on setting up of more than one cooperative in a village should be removed and the model law on this subject which has been pending for long should be brought before Parliament immediately.

3.7 The Committee have noted that the prices paid to the milk producers, farmers in the rural areas are not remunerative and thus not conducive to further increase in the milk production.

The Committee recommend for necessary support price which may be required to ensure the producers of milk to get remunerative price. This matter may be referred to Commission on cost and prices for recommending minimum support price to be paid to milk producers.

3.8 The Committee also desired that the information dissemination strategy of the Department may be reviewed, to make them more effective. The Department may in this regard allocate funds for publication and its informative journals and literature in other Indian languages for the benefit of the farmers in different regions of the country.

3.9 The Committee also recommend that the 'Draft Breeding Policy' may be finalised soon after taking into consideration the views expressed in the proposed national convention to be convened shortly by the Department.

3.10 The Committee are also unhappy to note that the monitoring mechanism for implementation of programmes/schemes have not been very effective. The reported mismanagement and non-implementation of programmes and schemes in the Chota Nagpur region of Bihar may be inquired into by the Department of Animal Husbandry and a report submitted to this Committee regarding the remedial action taken to ensure the schemes/funds allocated by the Department reach the intended beneficiaries.